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Approved For Release 2005/12/23 : CIA-RDP83-00156R000600020060-4

## ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM: Harry E. Fitzwater  
Director of Personnel  
5E-58, Hqs.

EXTENSION

NO.

DATE

14 SEP 1979

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S  
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Deputy Director for  
Administration

2.

3.

4.

5.

6.

7.

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14.

15.

Attached are corrections made to the basic proposals for the Senior Intelligence Service. These changes are in accordance with decisions reached at the Executive Committee meeting on Tuesday, 11 September 1979. Please note that the new SIS Advisory Staff has been formed as an advisory body at the specific direction of the DDCI. This body will provide advice to the DDCI on programmatic issues and problem areas related to the SIS.

As the DDCI desires to make a final decision on the proposals by 19 September 1979, it is requested that any comments you may have relative to these changes be submitted to the Director of Personnel by noon, Tuesday, 18 September 1979.

Harry E. Fitzwater



Send me your  
reaction by 1100  
tomorrow - *WJ*

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REVISED

14 September 1979

## BASIC PROPOSALS

~~CIA~~ SENIOR EXECUTIVE SERVICE

SUB-SYSTEM 5 AND TABLES A-1, B-1, C,  
D AND E ARE CLASSIFIED SECRET. ALL  
OTHER PORTIONS ARE UNCLASSIFIED.

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**SECRET**



## BASIC PROPOSALS

~~SECRET~~ SENIOR EXECUTIVE SERVICE

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## BASIC PROPOSALS

### ~~THE~~ SENIOR EXECUTIVE SERVICE

#### FORWARD

The Office of Personnel Task Group established to design and develop a Senior Executive Service for the Agency has completed a detailed study of the data available on the Civil Service Reform Act's Senior Executive Service. This study encompassed the statutory provisions of the Act, interpretative materials and guidances developed by the Office of Personnel Management and a review of the approaches, methodologies and processes developed by a number of other Federal agencies for implementation of the SES in their organizations.

The Task Group has concentrated on the development of an initial set of basic proposals on the fundamental architecture, principles, and primary sub-system structures for an Agency system which will provide the framework for the establishment of the ~~the~~ Senior Executive Service operating program.

These initial proposals were developed on the basis of the following premises:

- a. that the Agency's overall system should be constructed along the general lines of the Federal Senior Executive Service but with adaptations as appropriate to better serve the particular needs of the Agency in accomplishing its missions;
- b. that the start-up structure and substance of the Agency system should be as "simple" as practicable



yet provides coverage for all basic programmatic elements essential to a viable operating system. Modification to the initial program may be required or desirable in the future as the system becomes fully operational;

- c. that a basic compensation sub-system patterned after President Carter's published SES salary range (e.g., Executive Scale I through Executive Scale VI) be established even though there are current indications that Congress may not lift the current limitation on executive level salaries for fiscal year 1980;
- d. that in anticipation that Congress may not lift the current salary limitation, the Agency's SES performance award sub-system provide substantial monetary awards in recognition of and as incentives for excellence of performance; and
- e. that the policies and provisions of the ~~the~~ SIS be fully applicable to all organizational elements of both the Central Intelligence Agency and the Intelligence Community Staff (RMS and CTS) with each managed and administered under separate but parallel systems.

*at first time called "SES", previously "SES"*

To facilitate the review and consideration of the Task Group's initial proposals, they are presented in a section by section topical sequence with clarifying commentary as appropriate. Where certain topics offer optional approaches, such options are presented with recommendations and rationale for the preferred option indicated.



SECTION I

FUNDAMENTAL PROPOSALS

1. TOPICS: Name of the System; Statutory Authority; and Rationale for Establishing a Senior Executive Service System in

~~the~~ *the Agency.*

A. Name of the System

Proposal: The Agency system shall be called the ~~the~~  
"Senior Intelligence Service". (SIS)

B. Statutory Authority for the ~~the~~ Senior Intelligence Service

Proposal: The legal authority for the DCI to establish a  
~~the~~ Senior Intelligence Service is contained in  
Title 50, U.S.C.A., Section ~~403a~~ 403a - 423j.

C. Rationale for Establishing a Senior Intelligence Service  
~~the~~

Proposal: CIA's exemption from the Civil Service Reform Act's  
Senior Executive Service was based upon Congressional  
recognition of the unique duties, responsibilities  
and authorities of the Director of Central  
Intelligence as defined in Title 50, U.S.C.A.,  
Section ~~403a~~ 403a - 423j.

The principles and concepts of the Reform Act's  
Senior Executive Service provisions, however, are  
essentially sound. Adaptation by the Agency of  
these principles offers excellent prospects for  
improving the effectiveness of the Agency's



*senior officer*

management system particularly the linkage of job performance evaluations to determinations of basic salaries and opportunities for additional performance compensation based on excellence.

COMMENTARY:

None.

The above proposals are:

( ) APPROVED

( ) DISAPPROVED

Deputy Director of Central Intelligence

                      
Date



2. TOPIC: Scope of the ~~the~~ Senior Intelligence Service System

Proposal: The ~~the~~ SIS is conceived to be a total personnel system for the management of all ~~CIA (including Resource Management Staff and Collection Tasking Staff)~~ <sup>senior</sup> executive level positions (GS-16 and equivalent SPS through EP-IV), authorized ceiling and <sup>senior</sup> ~~executive~~ level personnel. All currently designated grades GS-16 and equivalent SPS through EP-IV positions and personnel are recommended to be redesignated with Senior Intelligence Service (SIS) identifiers SIS-I through SIS-VI as appropriate to distinguish between levels of managerial and/or substantive responsibility.

COMMENTARY:

The Federal Senior Executive Service under the Civil Service Reform Act of 1978 includes only managerial personnel and positions with senior non-managerial specialist/analyst personnel and positions retained under the current supergrade (GS 16-18) system. Agencies covered under the Civil Service Reform Act must, therefore, maintain two separate executive level personnel management systems, each with distinct and different sets of policies, principles and procedures.

The essential principle of the Reform Act's Senior Executive Service is to relate directly compensation of the individual to the relative level of work requirements levied on the individual and the



quality of performance by the individual in carrying out his or her assigned responsibilities.

The Task Group believes this basic principle is applicable to all senior level personnel whether they be managers or non-managers and recommends their inclusion in the ~~CIA~~ Senior Intelligence Service.

The above proposal is:

( ) APPROVED

( ) DISAPPROVED

\_\_\_\_\_  
Deputy Director of Central Intelligence

\_\_\_\_\_  
Date



## SECTION II

### PURPOSES AND PRINCIPLES OF THE ~~CIA~~ SENIOR INTELLIGENCE SERVICE

1. TOPIC: Purposes of the ~~CIA~~ SIS

- Proposal:
- a. To ensure that ~~CIA's~~ senior officer management is of the highest quality and fully responsive to the needs, policies, and goals of the Nation.
  - b. To provide the Director of Central Intelligence with a centralized mechanism through which to develop equitable personnel management policies for ~~the Agency's~~ senior officers and to direct and monitor their implementation and enforcement.
  - c. To develop and maintain a highly motivated and competent group of individuals capable of filling ~~the~~ senior level positions ~~of CIA~~ and to provide the type of quality performance needed for the continued success of the Agency in fulfilling its missions and functions.
  - d. To provide for a compensation system including salaries, benefits and incentives and for other conditions of employment designed to attract and retain highly competent senior officers.
  - e. To ensure the systematic development of highly competent candidates for entry into the ~~CIA~~ SIS and the continuing development of personnel already members of the ~~CIA~~ SIS.



- f. To provide for the prompt removal from the SIS, those officers who are not performing to established standards.

COMMENTARY:

None.

2. TOPIC: Principles of the ~~CIA~~ SIS

- Proposal:
- a. The ~~CIA~~ SIS will be operated in conformance with the merit principles as contained in Agency regulations.
  - b. The annual compensation awards system for Agency senior level personnel (those currently in grades GS-16 and equivalent SPS through Executive Pay Level IV) will be based on merit that is directly related to an evaluation of actual performance on the job measured against established criteria and standards of performance. This is to be done with due recognition of progressively more difficult levels of organizational and/or substantive responsibilities.
  - c. Senior officers are accountable and responsible for the effectiveness and productivity of employees under their supervision.
  - d. Exceptional accomplishment will be recognized with timely and tangible performance awards.



e. The regulations, policies and plans relative to equal opportunity and affirmative action will apply to all aspects of the ~~CIA~~ SIS including appointments, reassignment, training and development, evaluation, compensation and awards.

Individuals seeking entry into the ~~CIA~~ SIS will be considered with full regard that the factors of race, color, sex, religion, age, national origin, political affiliation, marital status, physical impairment or any other non-meritorious factors will not adversely effect their consideration for entry into the Senior Intelligence Service *except as they may be valid security considerations.*

COMMENTARY:

None.

The above proposals are:

( ) APPROVED

( ) DISAPPROVED

Deputy Director of Central Intelligence

Date



### SECTION III

#### SUB-SYSTEMS OF THE ~~CIA~~ SIS

The Task Group has identified eleven sub-system structures basic to the establishment and implementation of the operating programs of the ~~CIA~~ SIS. The general content, basic policies, principles and/or structures of these sub-systems are presented for consideration and approval. Approval of these basic proposals (and/or modifications as required) will permit the Task Group to proceed with the development of the necessary detailed proposals on the processes and procedures of how each sub-system will function. These sub-systems are:

- Sub-System 1 - Management Structure
- Sub-System 2 - The SIS Membership System
- Sub-System 3 - SIS Ceiling and Position Management Controls
- Sub-System 4 - The SIS Performance Appraisal System
- Sub-System 5 - Funding, Compensation and Awards
- Sub-System 6 - Competitive Promotions
- Sub-System 7 - Senior Intelligence Officer Development
- Sub-System 8 - Adverse and Other Administrative Actions
- Sub-System 9 - Evaluation of the SIS System
- Sub-System 10 - Initial Publicity and Orientation
- Sub-System 11 - Regulations and Procedural Guides



SUB-SYSTEM 1

MANAGEMENT STRUCTURE

Sub-System Content

This sub-system provides the mechanism through which the DCI/DDCI will direct and manage the ~~SIS~~ Senior Intelligence Service.

The Task Group proposes that the SIS operate under the command direction of the DCI/DDCI with the advice and assistance of the Director of Personnel (who will establish a new Office of Personnel <sup>SUPPORT</sup> staff element specifically dedicated to staff support for the SIS system) and a ~~Senior Intelligence Service Advisory Staff (SISAS)~~ <sup>Performance Review Committee (PRC)</sup>.

In addition, Senior Resources Boards are recommended to be established in ~~the O/DDCI~~, each of the Directorates <sup>the "E" Service</sup> ~~Career Services~~ and the ICS (RMS and CTS).

In general terms, the Director of Personnel's responsibilities will deal with matters of policy, procedures and monitoring of the SIS while the <sup>SISAS</sup> ~~PRC~~ will deal primarily with <sup>PROGRAMMATIC</sup> ~~individual performance appraisal~~ <sup>ISSUES AND PROBLEM AREAS</sup> ~~reviews relative to recommendations for performance related awards and promotion.~~ The Senior Resources Boards in the ~~O/DDCI~~, the Directorates, <sup>the "E" Service</sup> ~~Career Services~~ and the ICS are to be the "operating" arms of the SIS.

Functionally, the DCI/DDCI will administer directly the ~~executive~~ personnel management program for SIS-5 (currently EP-V) and SIS-6 (currently EP-IV) level officers. <sup>AND CERTAIN ASPECTS OF SIS-4 OFFICER MANAGEMENT.</sup> ~~The O/DDCI Senior Resources Board will administer the SIS-4 (currently GS-18) level program and the Senior Resources Boards established in the Career Services will~~

administer the SIS-3 (currently GS-17) and SIS-2 and 1 (currently GS-16) <sup>THE DEPUTY DIRECTORS AND CHAIRMAN "E" SERVICE WILL ADMINISTER</sup> in their respective areas. More specifically: <sup>the PERSONNEL MANAGEMENT OF SIS-4 (GS-18) AND THOSE ASPECTS OF SIS-4 MANAGEMENT PRESCRIBED BY THE DCI/DCI.</sup>



A. Director of Personnel

*with the support and assistance of the  
OP SIS Support Staff*

The Director of Personnel will provide advice and recommendations to the DDCI on such matters as:

1. The formulation of Agency policy and uniform standards for the ~~CIA~~ SIS system.
2. Utilization of ~~CIA~~ SIS positions.
3. In collaboration with the Comptroller, the allocation of SIS ceiling allowances to Career Services.
4. In collaboration with the Comptroller, determination of monetary resources available for performance awards and "rank" stipends and development of guidelines for their distribution to the major components of the Agency.
- NEW 5. Review performance appraisals and other documentation submitted with recommendations for performance awards and rank stipends by the Deputy Directors and the Chairman of the "E" Service and submit prioritized recommendations to the DDCI for approval (see Sub-System 5, pages 44-46 for more specific examples).
- NEW 6. Provide centralized review, recommendations and support to the DDCI on promotion recommendations into and within the SIS levels as submitted by the Heads of Career.
- NEW 7. Evaluate adverse action requests on SIS officers such as removal from SIS and termination of employment, and make recommendations to the DCI/DDCI.
- FORMER 5 8. Evaluation (by the Office of Personnel's Personnel Management Evaluation Staff) of the SIS operating program (including the Agency-wide SIS Development Program) as carried out by the Career Services and component managers to ensure Agency-wide equity and conformity with Agency SIS policies and standards.

B. Senior Intelligence Service Advisory Staff (SISAS)

NEW The SISAS will consist of the DDCI (as Chairman), the four Directorate Deputy Directors, the Chairman of the "E" Career Service, the Comptroller and the Director of Personnel. The Chief of the Director of Personnel's SIS Support Staff will serve as Executive Secretary.



NEW

The SISAS will serve as an advisory body to the DCI/DDCI on programmatic issues and problem areas.

C. Director of Personnel's SIS Support Staff

REWRITTEN

The SIS Support Staff is recommended, initially; to consist of a Chief, two personnel officers and one personnel assistant/secretary to assist and support the Director of Personnel in carrying out the immediate functions and responsibilities required in the "start-up" phase of the institution of the SIS system. Appropriate augmentation of this staff will be required in the near future and as necessary to assist the Director of Personnel in carrying out his responsibilities as stated in (A) above and to advise and assist the DDCI, SISAS and the Senior Resources Boards on SIS matters.

~~B. Senior Resources Boards~~

~~1. O/DDCI Senior Resources Board~~

~~The O/DDCI Senior Resources Board is recommended to be chaired by the DDCI with the four Deputy Directors and the Directors of RMS and CTS as members. The Director of Personnel will serve as the Executive Secretary. Primary functions are to:~~

- ~~° Establish a systematized Development Program for SIS-4 (GS-18) level officers in accordance with policy~~



- directives and uniform criteria and standards as prescribed by the DCI. The Development Program will include the continuing professional development of grade SIS-4 (GS-18) members and identification and development through the Agency's Career Services of a pool of selected SIS-3 (GS-17) officers as potential future candidates for SIS-4 (GS-18) level assignments.
- ° Conduct an annual review of performance appraisals completed on SIS-4 (GS-18) level members who have been identified for professional development.
  - ° Conduct, at least annually, comparative value rankings of SIS-4 (GS-18) officers and approve performance awards for the previous years.
  - ° Recommend to the DCI, as requested, candidates for advancement to SIS-5 (EP-V) level.

D. Senior Resources Boards

2. Directorate Level Senior Resources Boards

~~Directorate level~~ Senior Resources Boards are advisory to *the Chairman of the "E" Service and Directors of RMS AND CTS* the Deputy Directors and each will consist of a chairman and senior

Career Service officers who are members of the SIS. Primary functions

are to:

- ° Establish systematized Development Programs for SIS-1, 2, and 3 (GS-16 and 17) level officers in conformance with Agency policy directives and uniform criteria and standards as prescribed by the DCI. These Development Programs will provide for the selection and planned development through selective assignments



and training of promising candidates from the grade GS 13-15 "feeder groups" for future entry into the CIA SIS and the continuing professional development of SIS members through level SIS-3 (GS-17). Those SIS-3 level (GS-17) officers identified as having high potential for SIS-4 (GS-18) level will be provided developmental experiences (assignments and training) as prescribed by the O/DDCI Senior Resources Board.

- ° Conduct an annual review of all performance appraisals completed by component supervisors of SIS-1, 2, and 3 level (GS-16 and 17) members <sup>(regardless of Career Service designation)</sup> assigned in the Directorates and the supervisory recommendations for their upcoming year performance and rank stipend awards. Submit results of these reviews and recommendations to <sup>or as appropriate</sup> the Head of the Directorate <sup>and Chairman of the "E" Service</sup> who upon review and approval will forward to the <sup>Director of Personnel for consolidation for the</sup> Performance Review Committee. <sup>DDCI.</sup>
- ° Conduct at least annually, comparative value rankings of SIS-1, 2, and 3 level (GS-16 and 17) members of their respective Career Services by grade level group using Agency-wide uniform criteria and DDCI approved special Career Service-related criteria as a basis for these comparative rankings.
- ° Conduct at least annually, competitive merit promotion <sup>for SIS Careerists</sup> exercises, <sup>^</sup> using uniform Agency-wide promotion



criteria and standards (and any special Career Service criteria and standards as approved by the DDCI).

COMMENTARY

The SIS management system described above is designed to utilize, initially, the existing major organizational and <sup>as appropriate</sup> Career Service <sup>Jurisdictional</sup> authority structures and methodological concepts as much as possible, ~~with the introduction of a new O/DDCI staff element (the Performance Review Committee).~~ The ~~Directorate-level~~ Senior Resources Boards will be given the responsibility for the review, endorsement and processing of performance awards and rank stipends recommended for any SIS member assigned within the Directorate's organizational elements, regardless of the member's Career Service affiliation.

As with all parts of the SIS, these proposals are designed to support the initial start-up phase of the system. Further refinements can best be developed in an actual operational environment and system management must be flexible enough to accept changes.

Although only the very briefest statement is made on the SIS Support Staff, its importance in the scheme of things cannot be overstated. It is envisioned, much as a Congressional Staff, as the researchers, implementors and the shadow force which provides continuity among the various SIS elements and the gas which keeps it running. It is difficult to say, at this time, what its ultimate staffing make up should be.



The above proposals are:

( ) APPROVED

( ) DISAPPROVED

\_\_\_\_\_  
Deputy Director of Central Intelligence

\_\_\_\_\_  
Date



SUB-SYSTEM 2

THE SIS MEMBERSHIP SYSTEM

Sub-System Content

This sub-system would cover basic policies, principles and the related procedures applicable to membership in the SIS for "on board" eligible personnel and for those officers who are accepted into the SIS subsequent to the initial date of implementation of the SIS system.

The Task Group proposes that the following basic policies and principles be established (procedures would be subsequently developed on the basis of these policies and principles):

A. All individuals who are "on board" on the initial date of implementation of the SIS system and hold SG rank, SPS rank and those at EP-V and EP-IV levels will be offered "conversion" membership in the SIS. Acceptance of such conversion membership shall not cancel, alter nor curtail any administrative or other actions affecting such members that were in effect or in process at the time of conversion.

B. While it is hoped that all such eligible officers will elect membership in the SIS, those who do not will initially be allowed to remain in their present position and ~~initially~~ will retain their current GS, SPS or EP status and grade. In the event that the DCI/DDCI determines that an SIS designated position occupied by an officer who declined membership in the SIS is needed to accommodate an SIS member or other utilization within the SIS program, the non-SIS encumbent must vacate the position and will be eligible for consideration for reassignment to a General Schedule (GS) designated position for which it is determined that they are qualified. Such action will include DCI/DDCI decision on grade and/or salary retention or reduction which will be administered in accordance with the policies and provisions contained in Agency Regulations.

In addition, eligible officers who decline membership will not be eligible for:

- Promotion above their attained grade level when they declined membership in the SIS.
- Performance awards designated for SIS members.
- Annual leave accruals and sabbaticals authorized for SIS members.
- Reassignment to an SIS designated position.

C. Those currently eligible officers who elect membership in the SIS will not be subject to any additional trial period.

D. In no instance will eligible officers who accept membership in the SIS lose compensation or benefits in the transition.

REWRITTEN

NEW

FORMER B

FORMER C

*Page 27 map all "SG" positions will be redesignated as SIS*



- established for conversion election of current eligibles for membership in the SIS system*
- E. After the date ~~of implementation of the CIA SIS~~ *new ones? see p. 18* system, those officers who are accepted into the CIA SIS will be subject to a one-year trial period where their performance will be evaluated. Less than fully satisfactory performance ~~during the~~ *(e.g., Performance Evaluation Report overall rating of 3 or below during the* trial period will require administrative action and decision including possible reduction to grade GS-15 level or separation from Agency employment if warranted.
- F. Officers initially selected for SIS membership will be converted to an appropriate SIS annual pay rate which is at least equal to their annual salary rate payable on the date immediately prior to the implementation of the SIS. (The proposed conversion rates are contained in the Task Group's proposals in the "Funding, Compensation and Awards Sub-System" section of this paper.)
- G. An appropriate SIS membership document (terms, conditions, rights and obligations) will be designed for acceptance and execution by each SIS member and certification by the ~~CIA~~ SIS management authority.

COMMENTARY

None.

The above proposals are:

( ) APPROVED

( ) DISAPPROVED

\_\_\_\_\_  
Deputy Director of Central Intelligence

\_\_\_\_\_  
Date



SUB-SYSTEM 3

SIS CEILING AND POSITION MANAGEMENT CONTROLS

Sub-System Content

This sub-system will cover policies, principles and procedures relative to the management and administration of SIS ceiling allowances and their allocation and distribution within CIA and ICS; establishing distinctions <sup>among</sup> ~~between~~ levels of responsibility <sup>among</sup> ~~between~~ SIS positions and; position management and controls.

The Task Group has developed proposals for this sub-system relative to basic policies and principles ~~and certain optional methodologies that need to be decided upon~~ in order to proceed with the further development of this important sub-system. These proposals are as follows:

A. Management of ~~CIA~~ SIS Ceiling Allowances

1. As of the date of implementation of the ~~CIA~~ SIS, the number of SIS ceiling allowances will equate to the number of SG, SPS and EP-V and EP-IV allowances currently authorized for CIA and ICS.
2. The initial distribution of SIS ceiling allowances to the Career Services and ICS will be the same as currently allocated.
3. Subsequent adjustments to the distribution of ceiling allowances will be approved by the DDCI.
4. Uniform procedures will be developed which prescribe the methodology and substance for the submission of requests for increases in SIS ceiling allocations.



COMMENTARY

The total number of SG, SPS and EP-V and EP-IV ceiling allowances currently approved for CIA and ICS appear adequate for the SIS.

Any increase in such ceiling will require justification to OMB and the Congressional Oversight Committees. At such a time as it is determined by the DCI/DDCI that additional ceiling is required, such requests can be presented.

The above proposals are:

( ) APPROVED                      ( ) DISAPPROVED

\_\_\_\_\_  
Deputy Director of Central Intelligence

\_\_\_\_\_  
Date



B. SIS Position Management and Controls

*although several approaches were explored initial*  
~~^ There are two options available~~ relative to the establishment  
of total SIS positions on the Agency Tables of Organization, ~~upon~~  
*the Task Group proposes:*  
~~Implementation of the SIS. These options are as follows:~~

~~Option I~~

As of the date of implementation of the ~~CIA~~ SIS, *on the Table of Organization*  
all positions currently classified at the GS-16,  
17 and 18 levels, all SPS positions, and all EP-V  
and EP-IV positions ~~would~~ be redesignated as SIS  
positions.

~~Option II~~

~~As of the date of implementation of the CIA SIS,  
the number of SIS positions to be established  
will be limited to the currently authorized SG,  
SPS and EP-V and EP-IV ceiling (this would  
require that some existing SG positions -- approx-  
imately 26 -- would revert to GS-15 level)~~

COMMENTARY

*This proposal*  
~~^ Option I~~ represents the present policy whereby any position that  
is audited and adjudicated at the SG or SPS level is put on the books  
at the classified grade level.

The external limitations imposed by OMB as to the number of SG  
or SPS officers that can be employed at these levels is an encumbent  
control and is not relative to the adjudicated evaluation of total  
positions.



The present policy<sup>also</sup> provides a degree of flexibility to the component managers to elect which positions can be filled by SG or SPS officers at any point in time. The integrity of classification concepts to adjudicate positions at their appropriate grade is preserved under current policy.

~~Option II presents certain administrative advantages in that accountability for ceiling allowances and numbers of authorized positions would equate and are less confusing. This option would require the misclassification of positions to a lower grade simply because they could not be accommodated under external ceiling restrictions.~~

In previous issues with both OMB and Congressional Committees regarding defense of the number of SG ceiling allocated to CIA, the fact that OP/PMCD had audited and classified more SG positions on the Tables of Organization than our allocated ceiling could accommodate was an important factor in defending retention of our current allocations.

~~We recommend Option I as the preferred approach in the transition to the SIS system. Option II, at this juncture at least, does not appear to offer sufficient advantages to warrant a policy change.~~

The above proposals are:

( ) APPROVED

( ) DISAPPROVED

\_\_\_\_\_  
Deputy Director of Central Intelligence

\_\_\_\_\_  
Date



C. Establishing Pay Level Distinctions Between SIS Positions

The Civil Service Reform Act does not require the use of position classification techniques to establish different levels for SES positions. Conventional position classification, however, is required for the adjudication of non-managerial SG jobs.

Under OPM guidances/instructions to agencies covered under the Civil Service Reform Act, differentiation between levels of executive/managerial positions is required. While not prohibiting formal classification of SES positions, OPM proposes that differentiation be controlled by position analysis and the development of specific "qualification standards" that SES members must meet to be selected for assignment to a specific SES position.

These qualification standards will establish the distinctions between levels of responsibility and performance demands through their application to proposed incumbents for a position rather than position standards per se. This approach fixes responsibility with component managers to develop and apply definitive qualification standards to determine which of the six Executive Schedule levels (e.g., ES-1 through ES-6) a position incumbent should be paid to ensure that the individual is neither overpaid nor underpaid relative to their respective responsibilities.

COMMENTARY

While the OPM approach warrants consideration and, if stringently administered, would provide the required distinctions between levels of responsibility, consideration of other approaches whereby SIS positions



would be adjudicated on their own merits through modified position classification techniques may be a more effective approach.

The Task Group has explored several SIS position level patterns *and ranges* that ~~could~~ <sup>might</sup> be applied within the constraints of the Presidential Executive Schedule salary level schedule (e.g., ES-1, ~~\$44,756~~ <sup>\$47,889</sup> through ~~ES-VI, \$52,800~~ <sup>ES-6, \$56,500</sup>) but find each of these schedules present inappropriate overlaps because of the severe compression of the Executive Schedule salary range.

The Task Group proposes that in order to provide for the initial conversion of the existing SG, SPS and EP-V and EP-IV position structure to the SIS structure, ~~that~~ an interim schedule be implemented to directly convert, without further audit, all current eligible senior level positions in accord with the position conversion table presented in the attachment.

The Task Group further recommends that studies be continued on this subject by the Office of Personnel to explore the practicability of developing other options for establishing distinctions between the levels of SIS positions.

The above proposals are:

( ) APPROVED

( ) DISAPPROVED

\_\_\_\_\_  
Deputy Director of Central Intelligence

\_\_\_\_\_  
Date



PROPOSED INITIAL POSITION CONVERSION TABLE

FROM		TO
FUNCTIONAL LEVEL	CURRENT POSITION LEVEL	SIS POSITION LEVEL
Deputy Directors	EP-IV	SIS-6
Associate Deputy Directors Senior Staff Specialists Senior Office Heads	EP-V	SIS-5
Office Chiefs DDO Division Chiefs Senior Group and Staff Chiefs Senior Analysts, Senior Operations Officers SPS-9's	GS-18	SIS-4
Deputy Office Chiefs Senior Analysts, Senior Operations Officers SPS Equivalents	GS-17 and "High Point" GS-16's and SPS Equiva- lent	SIS-3
All other managers Senior Analysts, Senior Operations Officers Staff Chiefs SPS Equivalents	All other GS-16's and SPS Equivalent Based on Relative Strength of the Position	SIS-2 or SIS-1



SUB-SYSTEM 4

THE SIS PERFORMANCE APPRAISAL SYSTEM

Sub-System Content

The Performance Appraisal Sub-System is probably the most important element of the SIS system in that it will provide the mechanism for determination of compensation for all SIS members on the basis of the objective evaluation of executive performance against specific organizational and individual objectives agreed upon and assigned at the beginning of the annual evaluation period. The performance appraisal will also be a key element for promotion, employee development, assignment, retention and other administrative actions.

The Task Group proposes the following basic policies, principles and procedures:

A. General Policies and Procedures

1. The performance of all members of the ~~CIA~~ SIS will be evaluated on an annual basis (with special reports as otherwise required) in accordance with published schedules for the completion of such evaluations.
2. The ~~CIA~~ SIS Performance Appraisal System will utilize the standard performance appraisal format (Form 45) including the Advance Work Plan developed for the performance evaluation of all Agency employees. In addition to the general policies and principles applicable to the Agency's uniform performance appraisal system, any specific policies, principles,



standards and procedures established for the ~~CIA~~ SIS Performance Appraisal System will be followed in the evaluation of SIS members. Any such special instructions for the completion of ~~performance appraisals~~ of SIS members will be provided in ~~a~~ supplemental instructions ~~sheet~~ to be added to the standard Form 45 guidance material.

3. All completed Performance Appraisal Reports will be forwarded by the rating supervisor together with a separate recommendation for compensation awards for each rated individual through the reviewing officer to their ~~Directorate~~ *Organizational* Senior Resources Board.
4. The Deputy Directors ~~with the advice of their Senior Resources Boards,~~ *and the Chairman of the "E" Service* will forward the SIS Performance Appraisal Reports and recommendations for compensation determinations for each SIS member to the ~~Director of Personnel~~ *Director of Performance* ~~Consolidation Preparation for SOCI~~ *Review Committee* for ~~review~~ and approval.
5. Rated individuals are not to be informed as to whether or not they are being recommended for performance/rank awards.

B. Specific Policies and Procedures

1. Standards of Performance, Performance Evaluation Ratings and Their Relationship to Compensation
  - (a) The overall performance rating and individual duty ratings on the annual Performance Appraisal Report (PAR) and their relationship to any established criteria and standards of performance (which must be described, understood and agreed upon in the Advance Work Plan) will provide the basis for determination



of the rated individual's eligibility to be recommended for performance awards and/or rank stipends.

- (b) An overall performance evaluation rating of level 5, 6 or 7 and individual duties evaluated at no less than level 5, will qualify an SIS member for consideration of a performance award.
- (c) An overall performance evaluation rating of level 4 will eliminate the individual for consideration for any performance awards.
- (d) An overall performance evaluation of level 3 will only assure the rated SIS member of retention of basic annual salary level for the initial subsequent year following a level 3 rating. SIS members in this category are required to be counselled by the Head of the Career Service and must participate in a remedial program developed by the Career Service to assist the individual in overcoming any deficiencies in his or her performance.
- (e) Two successive annual overall performance ratings of level 3 or a single annual overall performance rating of level 2 or 1 require that the Heads of Career Service refer the case to the ~~Performance Review~~ *Director of Personal* ~~Committee~~ with a recommendation for administrative action (this can include retention in the SIS under



closely observed probation for a definitive period of time; removal from the SIS and reduction to GS-15 level status and compensation; or termination from employment). The *Director of Personnel* ~~Performance Review Committee~~ will ~~review the~~ ~~case and~~ recommend to the DDCI the administrative action to be taken.

2. Addendum to the Annual Work Plan for ~~CIA~~ SIS Members

In addition to completion of the Annual Work Plan at the beginning of each annual evaluation period, a supplemental Statement of Understanding will be executed by the SIS member and the rating supervisor. This Statement of Understanding will inform the SIS member of the specific policies of the ~~CIA~~ SIS Performance Appraisal System as regards established criteria and standards of performance and the consequences of overall performance evaluation ratings on basic annual salary, eligibility for performance awards, consideration for future promotion and retention in the SIS and/or the Agency.

COMMENTARY

The concepts, structure and format of the new standard Agency Performance Appraisal (PAR) System meets all of the *general* ~~fundamental~~ requisites of the SIS. As previously noted, any special instructions or guidances pertinent to SIS performance evaluations *will* ~~would~~ be included in a supplemental instruction sheet added to the Form 45 guidance material.



The effectiveness of the PAR as the basis for compensation determinations for SIS members will be totally dependent on the objectivity of the rating officers who prepare the performance appraisals and the subsequent actions of the final decision authority.

The above proposals are:

( ) APPROVED ( ) DISAPPROVED

\_\_\_\_\_  
Deputy Director of Central Intelligence

\_\_\_\_\_  
Date



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SUB-SYSTEM 5

FUNDING, COMPENSATION AND AWARDS

Sub-System Content

This sub-system, like the Performance Appraisal Sub-System, is a key element in the SIS system and will provide the essential elements driving the ultimate effectiveness of the SIS System at large.

The content of this sub-system will address the policies and processes for: implementing the initial conversions of the salaries of on-board eligibles for the SIS to the new executive schedule rates (SIS rates in the proposed ~~CIA~~ system); will establish the SIS basic awards and stipend schedules and; will lay out the criteria and procedures for compensation determinations.

The Task Group proposes the following *for the "start-up" year:*

A. Initial Conversions to the New Executive Schedule Rates

1. It is proposed that for purposes of effecting the initial conversion of current annual salary rates for SG, SPS and EP-V and IV officers, that the six Executive Schedule Pay rates established by the President for the SES be utilized. Such rates for the CIA SIS will be designated as follows:

SIS-1	<del>\$44,756</del>	\$47,889
SIS-2	<del>46,470</del>	49,499
SIS-3	<del>48,250</del>	51,164
SIS-4	<del>50,100</del>	52,884
SIS-5	<del>51,100</del>	54,662
SIS-6	<del>52,800</del>	56,500

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2. All current eligibles who elect membership in the SIS will have their basic annual salary rate converted to an appropriate SIS level upon implementation of the SIS system.
3. Current eligibles converted to the SIS cannot receive an annual salary less than that payable at the time of conversion to an SIS rate.

B. Proposed Salary Conversion Schedule

Based upon the existing pay rates for Supergrade, ~~and~~ SPS and EP personnel and without regard to the existing statutory <sup>salary</sup> limitations of ~~\$47,500 per year~~, a logical conversion table of SG, ~~and~~ SPS levels and EP levels (grade and step) to the new, albeit compressed, Executive Schedule scale ~~must and can be developed. There are really only two options~~ *is necessary and appropriate to discriminate among major levels of responsibility.* ~~that are feasible for consideration and are presented in Tabs A and B.~~

~~Option I (Tabs A and A-1) presents the number and distribution of personnel who would be converted to each of the SIS rates. This option is not fully practicable and not recommended because:~~

- ~~(a) officers selected for the SIS cannot receive salary less than that payable at the time of conversion to an SIS rate; and~~
- ~~(b) positions occupied by SPS and SG officers are not graded by step level.~~

~~Option II (Tab B) is the recommended option for initial conversion. The conversion table shown would be the minimum considered equitable (i.e., would place the maximum possible number of SPS and SG officers at the SIS 1 and 2 level) and while not providing for~~ *is* *and while not providing for*

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substantial salary increases for officers whose salaries have been frozen at the \$47,500 level beyond the increases inherent in the new Executive Schedule rates, would permit conversion consonant with their relative levels of current status and responsibilities.

~~This conversion table would not provide any increase for officers now at the base of the SPS and GS-16 grades and a token increase for those at SPS-2 and GS-10/5. The increase for current EP-IV officers would be \$2,800 and increases for the remaining officers would range from \$750 to \$4,300.~~

Based upon the conversion table in Tab ~~B~~<sup>A</sup>, the SIS salary level profile and the incumbents at the SG, SPS, and EP-V and IV levels as of 30 June 1979 is summarized in Tab ~~B-1~~.

~~Given the grades and steps held by the existing staff (i.e., as of 30 June 1979), only 12 GS-16 and SPS officers would be paid at the minimum SIS-1 rate and only 35 at the SIS-2 rate.~~

As is apparent, the Presidential SES rates are extremely compressed and offer such limited flexibility that the end result will be compression at the SIS-3 and SIS-4 rates. Over time, and assuming the statutory ceiling on executive pay is lifted and Executive Schedule rates for the SES are adjusted annually along with the GS schedule, the compression should be reduced and eventually eliminated.

#### C. Funding and Cost Comparisons

As of 30 June 1979, the Agency had a total of  in grades EP-IV, EP-V, SPS, and GS-16 through GS-18. The ICS has a total of  in these grades. Tab ~~C~~<sup>B</sup> provides details for both CIA and ICS. The aggregate CIA annual direct payroll cost is  Tab ~~D~~<sup>C</sup> provides more detailed data.

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In sum, conversion of the Agency's 30 June 1979 senior staff who would constitute the SIS would result in increased annual payroll costs of some [ ] assuming the ES rates as proposed by the President to become effective 1 October 1979 are <sup>implemented</sup> ~~approved~~ by the Congress). The actual increased annual base salary cost could be greater if conversion is not made consistent with the proposed conversion table (Tab<sup>A</sup> ~~B~~). Increased costs will also accrue when all ~~CIA~~ <sup>SIS</sup> allowances [ ] are filled and compensated at SIS rates.

In addition, performance awards and stipends will add to the increased costs of the SIS. Such costs are addressed in the following section.

D. Awards and "Rank" Stipends

1. General Proposals

- (a) The Civil Service Reform Act establishes a system of performance awards and rank-stipends (e.g., Distinguished and Meritorious Executives) for the Senior Executive Service, which the Task Group proposes be adopted for the ~~CIA~~ SIS.
- (b) The total number of performance awards may not exceed 50% of the total number of SIS ceiling. This limitation was instituted in the Civil Service Reform Act to insure selectively with only the strongest performance warranting awards. In the Agency

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proper (i.e., not including the ICS) for example,  
and assuming no change in the current  
number of ceiling positions involved, ☐ 25X1  
performance awards could be granted. The  
number of rank stipends is limited (1% for  
Distinguished Officers and 5% for Meritorious  
Officers) and would amount to some ☐ in 25X1  
the ~~CIA~~ SIS.

## 2. Specific Proposals

### (a) Awards and Stipends

- ° Performance Awards - ~~Performance awards~~  
~~of up to 20 percent of base salary may be~~  
~~granted to SIS members whose performance is~~  
~~rated "Fully Successful" or better by their~~  
~~supervisors.~~ The Agency Performance Appraisal

Report (PAR) will be the primary basis for  
determining eligibility for a performance

award. <sup>4</sup> An SIS member who has received an  
<sup>4 is considered to have performed in</sup>  
overall evaluation of 15 or better and a <sup>a fully satisfactory</sup>  
rating of no less than 5 on each individual <sup>manner. However,</sup>  
<sup>is required</sup> <sup>Consideration for</sup> <sup>an evaluation</sup>  
duty ~~may be recommended~~ for a performance

award. Rating officers must recognize that  
the number of performance awards is limited  
to 50 percent of the total number of <sup>SIS</sup> ~~ES~~  
positions and should recommend awards for

only the most deserving officers.

*Rated officers are not to be informed as to  
whether or not they are being recommended for  
a performance/rank award.*



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- Meritorious Officer Stipends - Meritorious Officer Awards of \$10,000 may be granted to SIS members for excellence in the performance of their duties. To be eligible for a Meritorious Officer Award, an SIS member must have an overall PAR rating of 6 or better with ratings of at least 6 on all individual duties. Rating officers should recognize that not more than 5 percent of all SIS members may be granted a Meritorious Officer Award and should recommend only those who clearly deserve such recognition.
- Distinguished Officer Stipends - A Distinguished Officer Award of \$20,000 may be granted to a limited number of SIS members for atypical performance which is judged to be truly outstanding. To be eligible for a Distinguished Officer Award, an SIS member must have an overall PAR rating of 7, ratings of 7 on most individual duties, and a rating of no less than 6 on any individual duty. Such Awards may be granted to not more than 1 percent of the total SIS staff.
- Awarding of Rank-Stipends - During any fiscal year, SIS members may be granted either a Meritorious or a Distinguished Officer Award. An officer awarded either a Meritorious or Distinguished Officer rank-stipend shall not be eligible to be awarded that same rank during the following four fiscal years.  
  
While eligibility of SIS members for nomination for a rank-stipend at the end of an annual performance appraisal period requires performance evaluation ratings (overall and individual duties) as cited above, performance evaluations over previous years may be taken into account in support of such nominations.
- Performance Awards Schedule - The Task Group explored several ways to establish "Performance

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Award Schedules" and proposes a program offering three "classes" of performance awards based upon percentages of basic annual salary rates. This schedule is presented in Tab <sup>D</sup>~~E~~. The "three class" awards schedule permits granting cash amounts substantial enough to provide rewards and incentives for excellence of performance and differentiation between differing demands of similar positions. Such inducements are particularly important should Congress continue the current freeze of executive pay.

<u>Awards Costs</u> - <del>Aggregate maximum potential</del>	
<del>total annual costs are summarized as follows:</del>	
<del>Performance Awards</del>	<del>\$2,313,000</del>
<del>Meritorious Officer Awards</del>	<del>230,000</del>
<del>Distinguished Officer Awards</del>	<del>80,000</del>
	<hr/>
	<del>\$2,623,000</del>

The actual annual cost is of course not known, but ~~undoubtedly will be considerably less~~ since all performance awards will not be made at the maximum 20 percent of base pay allowable. For purposes of discussion and until the Agency has an experience factor on which to base future

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estimates, we suggest using an annual estimate of awards costs of ~~\$1.7~~<sup>\$1.8</sup> million. This estimate is based on the award/stipend profile attached as Tab ~~F~~<sup>E</sup>.

(b) Proposed System for Recommending Performance Awards

Following completion of all PAR's on SIS members for which the rating officer is responsible, the rating officer will determine which SIS officers should be recommended for a performance award. While the PAR will be the primary basis for determining eligibility for an award, the rating officer must also take any other DCI/DDCI approved criteria into consideration in formulating and presenting recommendations for performance awards and stipends.

Recommendations for performance awards, while based on performance against assigned objectives and the contributions made to the Agency and to furthering its basic mission, must be made in consideration of the limit on the number of such awards which can be made (i.e., 50 percent of the number of ~~total~~<sup>SIS</sup> authorized ~~EG~~ positions). Also, determination of the Class of Award (A, B, or C) should be made in recognition of the Agency-wide prescribed ceiling on the number of awards in each class which can be approved. ~~The~~<sup>A proposed</sup> ceiling for each Class of Award, expressed as a percentage of the total awards which can be granted, is summarized as in the following example (using only CIA proper figures):



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Class A - 25 percent

Class B - 30 percent

Class C - 45 percent

Total



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Based on a current ceiling of  SIS positions, the actual number of awards of each class which ~~could~~<sup>might</sup> be granted is shown parenthetically.

25X1

The process through which recommendations for awards are made, reviewed, evaluated, and approved -- including responsibilities related thereto -- is as follows:

° Supervisor

- °° Prepares PAR(s) on SIS member(s) under his/her direct supervision, evaluating performance against the agreed upon Advance Work Plan.
- °° Determines whether performance during the past year warrants a recommendation for a performance award.
- °° If a performance award is not considered appropriate based on performance in relation to other SIS members and recognizing the limitation on the number of awards which can be granted, no further action is required.

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- °° If a performance award is considered justified, a determination is made as to whether a Class A (20 percent), Class B (12 percent), or Class C (7 percent) award should be recommended. This determination should be based on the SIS member's overall and individual duty performance and contributions during the past year and in consideration of the Agency ceiling on the number of awards of each Class that can be made annually.
- °° The performance award recommendation(s) will be forwarded to the PAR reviewing official for endorsement to the senior component operating official. If the performance award is recommended for more than one SIS member, the awards will be prioritized.
- ° Reviewing Officer
  - Reviews the PAR.
  - Comments in each case on the recommendation (or absence of a recommendation) by the Rating Officer for a performance award, indicating concurrence or nonconcurrence (and the reasons therefore in the latter case) with the

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recommendation and if applicable on the prioritization by the rating officer.

- Forwards the PAR(s) and recommendation(s) to the senior operating official of the component.

- ° Senior Operating Official

- Reviews the recommendations for performance awards for all SIS members assigned to the component.
- Comments on the appropriateness of the performance awards (including the class of award) recommended by rating and reviewing officers.
- Prepares a prioritized listing of those SIS members in the component for whom performance awards are recommended. The list may not include more than 60 percent (with fractions rounded to the next whole number) of the SIS members assigned to the component. The number of Class A and Class B awards may not exceed the Agency-prescribed ceiling for these two classes (i.e., Class A - 25 percent, Class B - 30 percent).
- Forwards the list of SIS members endorsed for performance awards to the ~~Directorate~~ Senior Resources Board.

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° Senior Resources Boards

- Reviews the recommendations endorsed by Operating Officials.
- Comments on the appropriateness of performance awards (including the class of award) endorsed by Operating Officials.
- Prepares a list of SIS members recommended for performance awards. The list may not include more than 55 percent of the SIS members assigned as of 1 October. The number of Class A and Class B awards may not exceed the Agency-prescribed ceiling for these two classes *on the basis of this proposal* (i.e., Class A - 25 percent, Class B - 30 percent). The total list need not be prioritized, but the lower one-third should be arranged in priority order with the most deserving SIS member listed first.
- Identifies those SIS members recommended for performance awards who should also be recommended for either a Meritorious or Distinguished Officer Award. Prepares formal recommendations for such awards. The number of recommendations for Meritorious Officer Awards may not exceed 10 percent of the number of performance awards endorsed by the

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Senior Resources Board. The number of recommendations for Distinguished Officer Awards is limited to two.

- Forwards the list of those SIS members recommended for performance awards, and for Meritorious and Distinguished Officer Awards

to the Deputy Director of the Directorate *or Chairman of the "E" Service*  
1 who after review and approval forwards to the *Director of Personnel for*  
*Performance Review Committee* *preparation*  
*for DDCI approval.*  
• *Director of Personnel (SIS Support Staff)*  
*Agency Performance Review Committee*

- Reviews and evaluates recommendations endorsed by the Directorates and submits ~~consolidated~~ and prioritized recommendations to the DDCI/DCI for approval, as follows:

°° Performance Awards

- Prepares a list of those SIS members recommended for performance awards. The number of such recommendations may not exceed 50 percent of the authorized SIS positions of record as of 1 October; and the number of Class A and Class B awards may not exceed 25 percent and 30 percent respectively of the total awards recommended. The total list

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need not be prioritized, but the lower 10 percent should be arranged in priority order with the most deserving SIS member listed first.

- The list of SIS members recommended for performance awards will be accompanied by a second list which will include those SIS members recommended for awards by the Directorates but which could not be accommodated within the limitation on the total number of awards that can be authorized. The first half of this second list will be arranged in order of priority with the most deserving SIS member listed first.

°° Meritorious Officer Stipends

- Prepares a prioritized list of SIS members recommended for Meritorious Officer Awards. Additions to or deletions from the similar lists submitted by the Directorates will be explained. The number of Meritorious Officer Awards may not exceed 5 percent of the total number of SIS members as of 1 October.

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°° Distinguished Officer Stipends

-- Prepares a single prioritized list of  
SIS members recommended by the  
Directorates for Distinguished  
Officer Awards. The number of  
Distinguished Officer Awards may not  
exceed 1 percent of the total number of  
SIS members as of 1 October. Any SIS  
member recommended but not approved for  
a Distinguished Officer Award will be  
given priority consideration for a  
Meritorious Officer Award.

(c) Other Benefits

- There shall be no*
- ° Annual Leave - ~~an SIS member may accrue leave~~  
*limitation on the accumulation of*  
~~without limit, i.e., forfeiture of accrued leave~~  
*annual leave accrued by an*  
~~in excess of the existing maximum carry over~~  
*individual while serving in a*  
~~will not be required. The Task Group recommends~~  
*position in the SIS except that*  
~~that future consideration be given to limiting~~  
*80 hours of the leave accruing*  
~~only a portion of unused annual leave that could~~  
*during each leave year must*  
~~be carried over possibly 80% to ensure~~  
*be used or forfeited.*  
~~that SIS members take a portion of their leave.~~

*What if  
returning*

(The OGC has expressed concern that this benefit,  
if approved, may have to be authorized under the  
contractual authority of the DCI.)

- ° Sabbaticals - Sabbaticals may be granted for up  
to 11 months during any 10 year period. To be

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eligible, SIS members must have 7 years of service equivalent to the levels of duties and responsibilities of positions in SIS (e.g., current SG, SPS, EP). Two years of such service must be in the SIS. Sabbaticals may not be granted to SIS members if they are eligible for voluntary retirement.

- Travel and Moving Expenses - External applicants under consideration for selection for ICS and Agency employment at SIS levels will have their travel expenses for interviews and processing and related travel and moving expenses upon EOD paid from Agency funds in accord with Agency policies and regulations for these categories of payments.

COMMENTARY

The proposals presented above for this sub-system would provide for the initial implementation of the SIS system with minimal complications while providing a final review and approval mechanism at the DCI/DDCI level for all such awards within the Agency. Once experience is gained with the operating program, modifications could be made to improve any facet of this sub-system.

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The above proposals are:

( ) APPROVED

( ) DISAPPROVED

.....  
Deputy Director of Central Intelligence

.....  
Date

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PROPOSED INITIAL ENCUMBENT CONVERSION TABLE

FROM		TO	
GS	SPS		
GS-16/1 - 5	SPS 1 - 2	SIS-1	\$47,889
GS-16/6 - 9	SPS 3 - 4	SIS-2	\$49,499
GS-17	SPS 5 - 8	SIS-3	\$51,164
GS-18	SPS 9	SIS-4	\$52,884
EP-V		SIS-5	\$54,662
EP-IV		SIS-6	\$56,500

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SUB-SYSTEM 6

COMPETITIVE PROMOTION

Sub-System Content

This program element will cover the policies, principles and procedures pertinent to promotions into and within the SIS.

PROPOSALS:

1. Annual Promotion Targets

a. Promotions to SIS-1 through SIS-3

In preparing their Annual Personnel Plans the Heads of the Career Services and the Directors of RMS and CTS will establish minimum annual promotion targets for entry into the SIS and promotions of SIS members under their Career Service jurisdiction to SIS-2 and SIS-3.

b. Promotions to SIS-4

~~OCT/DOCI~~  
The ~~O/DOCI Senior Resources Board~~ will establish minimum annual promotion targets to SIS-4. SIS-3 candidates for promotion to SIS-4 will be solicited from the ~~Career Service~~ Senior Resources Boards.

2. Competitive Evaluation for Promotion

~~OCT/DOCI~~  
a. The ~~O/DOCI and~~ the ICS and ~~Career Service~~ Senior Resources Boards will conduct competitive evaluations for promotions into or within the SIS at least once each fiscal year to select the best qualified candidates for nomination to the DDCI for approval.

b. Such competitive evaluations for promotion will be in accord with merit principles as defined in Agency regulations and based



upon Agency-wide uniform criteria and any special criteria established for a Career Service as approved by the DDCI.

3. Procedures for Processing and Approval of Recommendations for Promotion

~~a.~~ All recommendations for promotion into the SIS and within the SIS to the SIS-3 level will be forwarded ~~to the ICS and Career Services Senior Resources Board of the Agency Performance Review Committee.~~ *to Director of Personnel for review and preparation for DCI/DDCI approval.*

~~b. The Performance Review Committee will review all such recommendations and provide advice to the DDCI for his final approval.~~

COMMENTARY

The above proposals are consistent with current policies and procedures, ~~with the exception that promotions to SIS-4 (GS-16) will be administered by the DDCI's Senior Resources Board.~~

The above proposals are:

( ) APPROVED

( ) DISAPPROVED

\_\_\_\_\_  
Deputy Director of Central Intelligence

\_\_\_\_\_  
Date



SUB-SYSTEM 7

SENIOR INTELLIGENCE OFFICER DEVELOPMENT

Sub-System Content

This sub-system will contain the scope, policies, and procedures for the development of SIS members and those officers in the feeder groups with potential for more senior responsibilities.

The Task Group offers the following basic proposals for consideration for establishing a broad based development program for the SIS:

A. Purpose of Instituting a Senior Intelligence Officer Development Program

The purposes for instituting a formalized system for the planned and systematic development of the Agency's senior level officers and selected individuals in the "feeder groups" for future assignment to senior level responsibilities are: to expand and enhance their managerial ~~and/or~~ substantive knowledge, skills and capabilities to ensure that the missions and functions of the Agency at-large and the specific missions and functions of ~~each of the Directorate and ICS~~ <sup>all Agency components</sup> are carried out in the most competent and effective manner possible; and to assist and encourage individuals to realize their fullest potential as professional officers, whether they be managers or non-managers.

B. Scope of the Senior Intelligence Officer Development Program

1. The Agency Senior Intelligence Officer Development Program will be incorporated and administered as an integral element of the ~~CIA~~ SIS system.

2. All SIS members will participate in formalized developmental programs to the extent considered appropriate by senior Agency management.



C. The General Structure of the Senior Intelligence Officer Development Program

*the DCI/DDCI. All SIS-5 and 6 level officers will be personally administered by*  
In recognition of the different development requirements  
identified with senior management at the Agency level and those at  
the Directorate level, the SIS Officer Development Program *for SIS-1 through SIS-4 level*  
will be *officers will be*  
organized in two basic sub-programs, each structured as to the level  
of SIS members to be included and tailored as to substantive content  
as appropriate to the needs of the Agency, identified future staffing  
and skill requirements, and the SIS members themselves.

The principle features of these sub-programs are:

Sub-Program I - SIS-4 Level (GS-18) and Selected SIS-3 Level (GS-17)

Fewritten

The DCI/DDCI will establish officer developmental requirements, planning and actions pertinent to SIS-4 level officers and selected SIS-3 officers identified as having the potential for future SIS-4 level status and assignments. The Heads of Career Service will administer and implement developmental plans for their SIS-4 and the selected SIS-3 careerists according to the instructions of the DCI/DDCI. These prescribed requirements would include such things as:

- (1) Developmental planning and actions for current SIS-4's designed to enhance their credentials in carrying out their current functional responsibilities and to expand their qualifications as the candidate "pool" for future consideration by the DCI/DDCI for SIS-5 level responsibilities.
- (2) ~~The identification by the O/DDCI Senior Resources Board of numerical targets -- projected for three fiscal years -- of SIS-4 replacement requirements~~



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(1) ~~In relationship to the projected staffing requirements in (2) above to establish~~ *The establishment of a suitably* sized "pool" of selected SIS-3 level officers ~~from the Agency at large~~ for selective developmental assignments and training.
- 3  
(1) Maintenance of records on the *status of* developmental program which includes the identity of all ~~SIS-4 and SIS-3~~ *SIS-4 and specific progress on* ~~SIS-3~~ "feeder" officers and their developmental assignments and training planned.

Sub-Program II - SIS-1 Through 3 Level

This sub-program will be administered by the ICS and CIA ~~Career Service~~ Senior Resources Boards and will encompass the developmental requirements for SIS-1 through SIS-3 level officers (both managerial and non-managerial); selected officers within pre-SIS "feeder groups", and the projected staffing and skill requirements primarily associated with each Directorate per se.

The SIS-1 through 3 developmental requirements are composed of a mix of both managerial and non-managerial requirements that must be addressed in different ways.

The ~~Career Service~~ Senior Resources Boards, therefore, must establish two focuses within their developmental program.

One which concentrates on meeting the "managerial" needs of the ~~Directorate~~ Career Service itself but which



complements the Agency at-large program requirements and secondly, and of equal importance, a focus on recognizing and meeting the non-manager specialist *and SPS officer, etc.)* (e.g., Senior Analysts Operations Officers ~~and SPS officers~~) requirements and enhancement of the substantive expertise associated with the particular missions and functions peculiar to each of the Directorates and the ICS.

To meet these two facets of requirements, the *Senior Resources* ~~ICS and Career Service Senior~~ Boards must establish two development "tracks" which will resemble each other in terms of structures and mechanics but with different substance, criteria and emphasis in the content of the operating programs.

In the context of the above the principle features of this sub-program will include:

- (1) Developmental planning and actions for SIS-1 through 3's and a selected feeder pool along the same conceptual lines as the Sub-Program I.
- (2) Unlike Sub-Program I where a relatively few position requirements are involved and specific targets for future replacements can be specified, Sub-Program II with its greater volume and variety of requirements lends itself to a more



generalized approach to groupings of "types" of projected requirements and a broader band of people being developed according to a more general rather than highly individualized plans.

- (3) Maintenance of records and periodic reports to the DCI/DDCI on the status of the developmental program would be required.
- (4) All Sub-Program II's would be subject to periodic review and evaluation according to instructions by the DCI/DDCI.

COMMENTARY

The present CIA Executive Development Program (i.e., the PDP) by intent has been directed at only a small segment of the Agency's SG population and is designed to provide a "manager development" system with emphasis on the development of selected GS 13-15 officers to meet future GS 16-17 managerial requirements.

In order to more effectively meet the needs of the Agency and to fully complement the ~~CIA~~ SIS System, the Senior Officer Development Programs must be expanded and tailored to meet all SIS level needs (with recognition that <sup>SIS-4</sup> SIS-5 and SIS-6 levels will be personally <sup>overseen</sup> ~~administered~~ by the DCI/DDCI). Approval of the basic concepts presented for this sub-system will permit the further development of the extensive administrative details required for a fully operational program.



The above proposals are:

( ) APPROVED

( ) DISAPPROVED

\_\_\_\_\_  
Deputy Director of Central Intelligence

\_\_\_\_\_  
Date

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SUB-SECTION 8

ADVERSE AND OTHER ADMINISTRATIVE ACTIONS

Sub-System Content

This sub-system covers the general procedures to be followed in disciplinary actions; in remedial, probationary and removal actions based on performance and in grievances.

The Task Group proposes that:

- (a) In cases of disciplinary actions, current procedures continue, ~~with the added step that the Performance Review Committee evaluate recommendations for disciplinary actions and advise the DDCI/DCI on courses of action to be taken.~~

- (b) In cases of performance deficiencies which must be based on Performance Appraisal Procedures:

- (1) Initially, ~~Senior~~ Senior Resources Boards recommends *to the Deputy Director concerned,* in writing, remedial action to be taken and establishing time frames for improvement.
- (2) If initial remedial action does not correct the deficiencies, the ~~Senior~~ *Senior* Resources Board recommends *to the Deputy Director concerned,* in writing, a specific probation period as a last chance effort to help improve the performance.
- (3) If the above steps fail, the case is submitted with full documentation to the ~~Director of Personnel~~ *Director of Personnel* for removal consideration either from SIS or the Agency *by the DCI/DOCI.*
- (4) ~~Performance Review Committee~~ *The Director of Personnel* monitors all cases in all stages.



(c) Grievances can take a number of forms such as dissatisfaction with performance ratings, with not receiving performance awards, with not receiving high enough performance awards or with remedial, probationary or removal decisions. The basic rules set forth in  Grievance Systems generally apply. ~~removal~~

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- ~~° SIS members are expected to seek resolutions to grievances informally within their Career Services (or Directorates) through consultations with supervisors or other officials. When their grievances relate to actions taken within the jurisdiction of other Career Service (or Directorate) components, they may likewise consult those component officials.~~
- ~~° If not satisfied with the outcome of discussions at the Career Service (or Directorate) level, SIS members may appeal to the DDCI whose decisions will be final.~~

COMMENTARY

More detailed procedures will need to be developed if the above general ones are approved in order that actions described can be taken fairly, quickly and in the best interest of both the SIS member and the Agency.

The above proposals are:

( ) APPROVED      ( ) DISAPPROVED

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Deputy Director of Central Intelligence

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Date



SUB-SYSTEM 9

EVALUATION OF THE SIS SYSTEM

Sub-System Content

This element will define the responsibilities and processes of periodic monitoring of the effectiveness of the SIS operating program, adherence to policies and scheduled reporting to the DCI/DDCI to permit evaluation of the management of the SIS program.

The Task Group proposes that:

1. The Office of Personnel's Personnel Management Evaluation Staff be charged with the development of an SIS Program Evaluation Plan and carry out periodic reviews and evaluations of the SIS operating program. Such reviews and evaluations will include the Senior Intelligence Officer Development Program.
2. That reports of these periodic reviews and evaluations be provided the DCI/DDCI.

COMMENTARY

None.

The above proposal are:

( ) APPROVED ( ) DISAPPROVED

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Deputy Director of Central Intelligence

\_\_\_\_\_  
Date



SUB-SYSTEM 10

INITIAL PUBLICITY AND ORIENTATION

Sub-System Contents

This sub-system would provide for the initial publicity and orientation necessary for executives to understand the ~~CIA~~ Senior Intelligence Service system and to make personal decisions on joining. In addition, it will provide an understanding of the system to support personnel and their roles relative to its administration.

The Task Group proposes the following steps to meet the above objectives:

- (a) Develop and publish a Senior Intelligence Service booklet summarizing major provisions of <sup>the</sup>~~CIA~~ program. This booklet is envisioned as containing general information for all interested employees, executive and otherwise.
- (b) Develop and publish a series of articles for the DDA Exchange covering the Senior Intelligence Service along with other Civil Service Reform Act provisions.
- (c) Script and produce a video tape and/or slide show directed specifically to prospective SIS members portraying the provisions and effects of the new system on them.
- (d) Orient SIS members on the content and application of the revised Performance Appraisal System in the SIS context.



- (e) Brief support elements (e.g., personnel, finance, and training officers) on the SIS and relate to their roles.
- (f) Write and publish Agency notices on various aspects of initiating the SIS and subsequent changes.

Longer range training and orientation for current and future executives is considered under the Senior Intelligence Officer Development Program (see Sub-System 7).

COMMENTARY

It is of the utmost importance that all those employees who are directly affected by, or in support of, the Senior Intelligence Service system understand it fully. The thoroughness with which this is done may well determine the degree of support, acceptance and, even, success the new system will attain. The style and professionalism of the various presentations, therefore, should be of the highest quality. The above undertaking will impact heavily on initial (but temporary) manpower requirements.

The above proposals are:

( ) APPROVED                      ( ) DISAPPROVED

\_\_\_\_\_  
Deputy Director of Central Intelligence

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Date

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SUB-SYSTEM 11

REGULATIONS AND PROCEDURAL GUIDES

Sub-System Content

This sub-system provides for the development and/or revision and publication of regulations, handbooks and procedural guides necessary to the implementation and continuing administration of the Senior Intelligence Service System.

The Task Group proposes the following steps to attain these objectives:

- A. Write regulations on the policy, structure, responsibilities, authorities and operating procedures of the ~~CIA~~ Senior Intelligence Service and coordinate as appropriate.
- B. Search existing regulations and procedures (e.g., finance, personnel) to recommend appropriate revisions or deletions and to insure consistency among regulations.
- C. Develop handbooks and procedural guides on the operational details of the SIS for use by managers in administering the program and by support personnel in accomplishing the administrative details.



COMMENTARY

The actual development for publishing any of these materials obviously cannot commence until the specifics of the SIS program are approved. This undertaking will impact heavily on initial (but temporary) manpower requirements.

The above proposals are:

( ) APPROVED

( ) DISAPPROVED

\_\_\_\_\_  
Deputy Director of Central Intelligence

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Date